

BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

Application of	:
	:
DELTA AIR LINES, INC.	:
	:
	:
	:
	:
	:
for a frequency allocation to operate Atlanta,	:
Georgia-Cape Town, South Africa service	:
	:

Docket DOT-OST-2006-23924
Docket DOT-OST-2020-0051

ANSWER OF
UNITED AIRLINES, INC.

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March 4, 2022

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ANSWER OF
OF UNITED AIRLINES, INC.

United¹ hereby submits this answer to the February 17, 2022, application of Delta in the above-captioned proceeding and in a separate, contemporaneous filing with the Department of Transportation, has formally applied for three (3) weekly frequencies available under the U.S.-South Africa Air Transport Agreement (“Agreement”) for service between the U.S. and Cape Town, South Africa via Washington, D.C.

United’s Application² provides the Department with an opportunity to further enhance U.S.–Cape Town air travel by providing more and better opportunities for U.S. consumers. A full award of United’s proposal will offer seamless access to Cape Town via nonstop flights from a key business, government and cultural hub located on the U.S. East Coast. If approved, United’s proposal will connect Cape Town with the second largest U.S. metropolitan area for travel to Cape

¹ Common names are used for airlines.

² United hereby incorporates by reference its Application for U.S.–South Africa frequencies filed today in a separate docket.

Town and complement United's existing service at Newark/New York City which serves the U.S.' most populated metropolitan area and largest U.S.–Cape Town demand³.

Specifically, United's Washington, D.C.–Cape Town proposal will:

- Connect the U.S. capital—the second largest point in the U.S. for Cape Town demand and fifth largest South African born population—to the legislative capital of South Africa at Cape Town, facilitating important government-to-government connections with a total of three weekly frequencies.
- Enhance consumer access at 49 points across the U.S. representing nearly 90% of all U.S.–Cape Town demand and 93% of U.S.–South Africa demand with convenient, nonstop and one-stop connecting service to Cape Town.⁴
- Offer consumers a near daily service pattern for travel to Cape Town as United's Washington, D.C. flights will operate to Cape Town on days of the week that are not served by United from Newark/New York City. United's service from both of its east coast hubs in total will provide nearly twice the number of weekly seats than Delta's Cape Town proposal.
- Create connecting opportunities at Cape Town via United's partner, Airlink, to 15 points across Botswana, Namibia, South Africa, and Zimbabwe.⁵
- Enhance competition against Delta, which has been the incumbent and largest U.S. carrier providing service to continental Africa for well over a decade. Since 2006, and

³ United currently operates three times weekly from Newark/New York City to Cape Town on Wednesday, Friday, and Sunday.

⁴ Source: MIDT (2019) data and OAG (June 2022, published as of February 3, 2022).

⁵ Source: OAG. Airlink is scheduled to add East London, South Africa as its 15th destination served from Cape Town in October, 2022

best United can understand the OAG data, Delta has operated nonstop and/or wrap flights between New York JFK and Atlanta on the one hand and eight cities in six countries across Africa, including Abuja, Accra, Cairo, Cape Town, Dakar, Johannesburg, Lagos, and Monrovia, on the other hand.⁶ In contrast, United is competing anew in the U.S.–Africa market after departing in 2016, with currently only four routes and a fifth route as proposed in this proceeding.

- Continue to build on and enhance United’s continental Africa network successes at Washington, D.C., which currently provides service to Accra, Ghana and Lagos, Nigeria.

While United’s proposal is reliable and builds consistently and logically upon its Africa network plans, Delta’s proposal offers unpredictability and lacks vision. First, Delta announced its departure from the country in the Spring of 2020 as it decided to retire the aircraft in its fleet most suitable for South Africa operations.⁷ Delta then attempted to serve South Africa’s top destinations with seven weekly flights, but through no fault of its own, was unable to operationalize

⁶ Source: OAG. *See also* Delta in Africa: 10 years of convenience, connections, Delta.com, (Dec. 16, 2016), <https://news.delta.com/delta-africa-10-years-convenience-connections>; Delta restores service to all pre-COVID Africa markets with Johannesburg return, (Jun. 12, 2021), <https://news.delta.com/delta-restores-service-all-pre-covid-africa-markets-johannesburg-return>.

⁷ *See* Coronavirus: Delta cuts more flights, The Atlanta Journal-Constitution, (Apr. 15, 2020), <https://www.ajc.com/blog/airport/coronavirus-delta-cuts-more-flights-europe-but-atlanta-flights-continue/CQE43uuMkd3ksvwboulvyL/#:~:text=Delta%20is%20suspending%20its%20Atlanta,on%20travel%20to%20the%20country>; Delta’s 777 aircraft to retire by end of 2020, simplifying widebody fleet amid COVID-19, Delta.com, (May 14, 2020), <https://news.delta.com/deltas-777-aircraft-retire-end-2020-simplifying-widebody-fleet-amid-covid-19> (“At the time, the [Boeing 777] was uniquely positioned to fly non-stop between Atlanta and Johannesburg, South Africa.”).

such plans and decided to focus on Johannesburg service only.⁸ Now, Delta has applied for three weekly frequencies for Cape Town service, which appears to be an afterthought for its South Africa vision in lieu of its original and first choice of a “triangle or wrap” operation of Atlanta–Johannesburg–Cape Town–Atlanta.⁹

United, however, is confident in its ability to make the best and highest use of three (3) valuable U.S.–South Africa frequencies. Nevertheless, United believes an alternative that provides an equitable outcome allowing the maximum benefits for the traveling public would be one where both United and Delta could immediately realize their proposals, even if partial. Accordingly, and in lieu of a full-blown carrier selection proceeding that would drain both the Department and the airlines’ time and resources—and only if Delta is also willing—United would be amenable to accepting an immediate allocation of two (2) weekly frequencies to both Delta and United. With this outcome, both carriers’ customers and communities win, as United and Delta would both be able to execute their Cape Town plans immediately and without the need to undergo a lengthy contested Department carrier selection proceeding.¹⁰

In addition, by circumventing a prolonged carrier selection proceeding, both United and Delta could immediately begin the new service application process required by the South African

⁸ See South Africa blocks Delta Airlines from flying to Cape Town, Liveandletsfly.com, (June 23, 2021) <https://liveandletsfly.com/south-africa-blocks-delta/>.

⁹ Delta applies for flights to Cape Town, again – after SA govt blocked the last bid, Business Insider SA, (Feb. 18, 2022), <https://www.businessinsider.co.za/delta-air-lines-flights-from-atlanta-to-cape-town-application-2022-2/> (“Delta Air Lines has applied for nonstop flights to Cape Town – running parallel to its application for the triangular route – with the US department of transport.”).

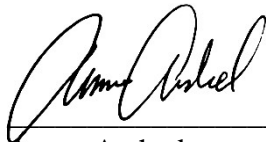
¹⁰ See, e.g., Answer of United at 16, DOT-OST-2016-0021 (Mar. 14, 2016) (suggesting to the Department that DOT try to “accommodate all applicants’ first preferred choices – and most of their second choices, as well,” which reflects a “sensible, equitable approach to distributing limited frequencies and establishing a robust competitive environment...”).

Government, a process known to be long and time consuming, and be well-placed to launch their new Cape Town services and bring forth their respective claimed consumer benefits on schedule. Accordingly, United urges the Department to consider issuing an immediate allocation to both United and Delta of two (2) each of the four remaining valuable U.S.–South Africa frequencies.

WHEREFORE, for the reasons set forth above, United respectfully requests that the Department:

- (1) with Delta's concurrence, immediately grant two (2) weekly frequencies to each of United and Delta, or if not possible;
- (2) institute a carrier selection proceeding to allocate the U.S.–South Africa frequencies in question; and
- (3) grant such other relief the Department may deem necessary or appropriate.

Respectfully submitted,



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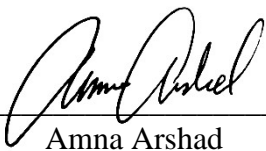
Counsel for
United Airlines, Inc.

March 4, 2022

CERTIFICATE OF SERVICE

I certify that I have this date served the foregoing document on the following persons by causing a copy to be sent electronically in accordance with the Department's Rules of Practice:

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March 4, 2022